

REMARKS

Claim 5 has been canceled. Claims 1, 4, 6, 14, and 17 have been amended. Claims 19 and 20 have been added. No new matter has been added.

Claims 1 to 4 and 6 to 18 are pending in the application.

Applicants respectfully traverse the rejections for at least the following reasons.

Claim Rejection Under 35 U.S.C. § 35 U.S.C. § 102(b):

In the Office Action made final, claims 1 to 18 were rejected under 35 U.S.C. § 102(b) based upon alleged public use or sale of the invention with reference to the “2000 Development Requests at HERTUG (Higher Education and Research Institutions)” [*sic*] as seen at <http://web.mit.edu/her/devreq/votedevreq00.htm> (“HERUG reference”) at item 7.

The Office objected that the “Applicant only argued the on-sale bar;” when in fact the rejection was based on public-use. (Office Action at para. 6). “The Examiner *maintains* that HERUG clearly discloses the public use of the invention as claimed in Claims 1-18.” (*Id.*)

The public use bar under 35 U.S.C. 102(b) arises where the invention **is in public use** before the critical date and is ready for patenting. *Invitrogen Corp. v. Biocrest Manufacturing L.P.*, 424 F.3d 1374, 76 USPQ2d 1741 (Fed. Cir. 2005). As explained by the court: The proper test for the public use prong of the § 102(b) statutory bar is whether the purported **use**: (1) was accessible to the public; or (2) was commercially exploited. Commercial exploitation is a clear indication of public use, but it likely requires more than, for example, a secret offer for sale. Thus, the test for the public use prong includes the consideration of evidence relevant to experimentation, as well as, *inter alia*, the nature of the activity that occurred in public; public access to the use; confidentiality obligations imposed on members of the public who observed the use; and commercial exploitation... That evidence is relevant to discern whether the use was a public use that could raise a bar to patentability, but it is distinct from evidence relevant to the ready for patenting component of *Pfaff*'s two-part test, another necessary requirement of a public use bar. *Id.* at 1380, 76 USPQ2d at 1744 (citations omitted). See M.P.E.P. § 2133.03(a).

As the Office mentions, “HERUG only allows members to submit development requests.” (Office Action at para. 5). The existing features outlined in HERUG element 7 are not the claimed invention. To the extent element 7 discusses current practice, the

“business motivation” section, states: “Currently we use RIB, it is critical to our Research area and it is activated at sales invoice.” The Office asserts that the claim language is a “clear articulation [that] is prima facie evidence that Applicant’s claimed invention is the RIB rule and not the transaction type.” Advisory Action at para. 1. **The mere use of RIB was described in the background section and is not the only feature of the claimed invention.**

Further, the “SAP comment” section states: “It **would** make sense to unify the systems reaction to processes which *do not finally lead to payments*.” Here, the “current functionality” (current at the time of item 7) is characterized as “processes which do not finally lead to payments.” This is not the claimed invention, and clear evidence that the RIB system referenced by item 7 is not prior public use of the claimed invention. Further, “[t]he full scope of RIB functionality also is reconsidered with the **development** of the new budget execution tool.” (*Id.*, emphasis added). Clearly a development proposal and not an existing product. **“Processes which do not finally lead to payments,” do not disclose or even suggest the features found in the present claims.**

The Office also states that: “It should be noted that 35 U.S.C. 102(b) may create a bar to patentability either alone, if the device in public use or placed on sale anticipates a later claimed invention, or in conjunction with 35 U.S.C. 103, if the claimed invention would have been obvious from the device in conjunction with the prior art.” (Office Action at para. 7). Since the Office did not provide a formal § 103 rejection based on the HERUG reference, with reference to any specific prior art, Applicants cannot respond to this, other than to respectfully submit that Applicants believe the claimed invention is unanticipated and nonobvious over the cited art. Further, Applicants firmly submit that HERUG could not possibly be evidence of prior use, for at least the reasons stated above, and Applicants respectfully request reconsideration of Applicants claims, and that the rejection be withdrawn.

To the extent item 7 of the reference discloses possible future potential products, it clearly does not disclose any public use. To the extent item 7 of the reference discloses current RIB practices, **the mere use of RIB rules is not the only feature of the claimed subject matter.** Additionally, item 7 contains enough description of what the system (at the time of item 7) was directed toward, **and it is not the presently claimed invention.** Further, the rules alluded to in item 7 do not recite or render obvious the claimed subject matter. Applicants respectfully submit that the present invention was not in public use or on sale

more than one year before the date of invention, and respectfully request that the Examiner withdraw the rejection based on alleged public use or sale.

Claim Rejections Under 35 U.S.C. § 103(a):

In the earlier Office Action made final, claims 1, 4, 6, 14, and 17 are rejected under 35 U.S.C. §103(a) as being unpatentable over a PowerPoint® slide presentation regarding, Introduction to Management Accounting 12/e, Horngren/Sundem/Stratton, 2002, Prentice Hall Business Publishing (“Prentice”).

The obviousness rejections were each based on a publication and “ordinary skill in the art.” The Office classified “the art” as “the Accounting Arts,” but failed to provide any rational for why someone with ordinary skill in the accounting arts would find it obvious to combine accounting rules with the computerized system and methods found in at least some of the rejected claims. (Office Action at para. 13, “Accounting Arts”). The conclusory statements made about what would be obvious to a person of ordinary skill in the accounting arts are believed insufficient in this situation to maintain a *prima facie* case of obviousness.

In response, the Advisory Action states that Wikipedia was checked to determine that computers were first used with accounting systems in 1954. However, the claim is not directed toward the combination of RIB and a computer, but recites a specific method for implementing RIB functionality in a specific way. No rejection to date has provided any rational for why a person of ordinary skill in the accounting arts would be motivated to implement RIB rules using the several specific features outlined in the present claims. Further, in reply to our previous objection that no *prima facie* case of obviousness has been made with respect to the specific features of the claimed invention, the Advisory Action states “Budget Variance analysis is well known in the art and therefore does not require an articulation of every step.” The Office seems to be characterizing the present invention as RIB only, which ignores the other features of the claimed invention. As such, no *prima facie* case for obviousness is believed to have been made, and Applicants respectfully request the rejection be with drawn for this reason and/or the specific reasons outlined below.

Claims 1, 6, and 14:

The earlier Office Action made final rejected claims 1, 6 and 14 because Prentice generally discusses static and flexible budgets, and the accounting practice of analyzing and classifying variance, and “[t]herefore, it would be obvious, at the time of the invention, to a

person of ordinary skill in the art to determine that variance analysis and the classification of that variance in accordance with an organization's Standard Operating Procedure regarding variance is similar in function to the analysis conducted via a RIB rule." Even if Applicants were to agree that identifying budget variance is the same function as an analysis conducted via a RIB rule (however, Applicants respectfully do not agree), the Office Action does not explain how Prentice allegedly teaches all elements of the claimed invention. **The Office continues to reject the first feature of claim 1, but totally ignores all other features.**

Claim 1 recites, "responsive to a new transaction that includes a revenue item, executing a RIB rule to determine an increase to expenditure budget generated therefrom, and storing the budget increase in an identified node of an expenditure budget data structure, and storing the budget increase in an identified node of a revenue budget data structure such that values in the expenditure budget data structure balance with values in the revenue budget data structure." Prentice is totally silent about maintaining two budget data structures, and storing RIB increases in the structures while maintaining balance between them. Claims 6 and 14 recite similar features. Prentice utterly fails to disclose, teach or suggest "storing the budget increase in an identified node of an expenditure budget data structure," "storing the budget increase in an identified node of a revenue budget data structure," or teach "that values in the expenditure budget data structure balance with values in the revenue budget data structure." Since Prentice does not disclose, teach, or suggest each and every feature of the claims, Applicants respectfully request that the Examiner withdraw the obviousness rejection of claims 1, 6 and 14.

Claims 4 and 17:

In the earlier Office Action made final, claims 4 and 17 are rejected as obvious over Prentice because it allegedly would have been obvious "to determine that variance analysis and the classification of each variance according to the business accounting rules regarding which variances are classified in a manner which will result in the increase of an item or account in an organization's flexible budget is functionally equivalent to Applicant's invention." Applicants respectfully assert that the discussion in Prentice cannot be equated with the RIB rule analysis of the claimed invention. Even if the discussion in Prentice and the RIB rule analysis of the claimed invention were equivalent (and Applicants do not agree that they are), this does not explain how Prentice discloses, teaches, or suggests every feature of the claimed invention. Claims 4 and 17 recite retrieval, in response to a report template, of

expenditure budget values and revenue budget values from storage, generation of a report that compares the expenditure budget values and the revenue budget values, where the report template indicates whether values from revenue budget items generated according to RIB rules are to be included in the report. Prentice does not disclose, teach, or suggest retrieving expenditure budget values and revenue budget values from storage in response to a report template, or generating a report where values from *revenue budget* items, generated from RIB rules, are included based on template selections. Further, Prentice is totally silent regarding the features of “storing revenue budget items in a database, each item including a marker to indicate whether the revenue budget item was generated according to a RIB rule; storing expenditure budget items in a database, so that the revenue budget items balance with the expenditure budget items.” Accordingly, Applicants respectfully request that the Examiner withdraw the obviousness rejection of claims 4 and 17.

Claims 2, 3, 5, 7, 8, 9, 15, 16, and 18:

In the earlier Office Action made final, claims 2, 3, 5, 7, 8, 9, 15, 16, 18 were rejected under 35 U.S.C. § 103(a) as being unpatentable over Prentice in view of U.S. Patent No. 6,073,108 to Peterson (“Peterson”). Claims 2, 3, 5, 7, 8, 9, 15, 16, and 18 ultimately depend from one of independent claims 1, 4, 6, 14, or 17, and since the Peterson reference does not cure the deficiencies discussed with regard to Prentice, the dependent claims are therefore allowable over Prentice and Peterson for at least the same reasons discussed above. Separately and independently, each of these dependent claims should be allowable because the combination of Prentice and Peterson does not disclose, teach or suggest at least the additional claim elements discussed below.

Neither Prentice nor Peterson, alone or in combination, disclose, teach or suggest “revenue budget increases are stored with a marking that they are to be excluded from RIB calculations for expenditure budget items,” as recited in claims 2 and 15.

Neither Prentice nor Peterson, alone or in combination, disclose, teach or suggest “comparing the expenditure budget data structure and the revenue budget data structure to determine if values therein are in balance,” as recited in claims 3 and 16.

Neither Prentice nor Peterson, alone or in combination, disclose, teach or suggest “each [revenue budget] item including a marker to indicate whether the revenue budget item was generated according to a RIB rule,” as recited in claims 5 and 18.

Neither Prentice nor Peterson, alone or in combination, disclose, teach or suggest an expenditure or revenue “budget database [which] stores the budget item in a location identified by a RIB rule,” as recited in claims 7 and 8, respectively.

Neither Prentice nor Peterson, alone or in combination, disclose, teach or suggest “a first component to store planned revenue budget values and a second component to store budget increases generated from RIB rules,” as recited in claim 9.

Accordingly, Applicants respectfully request that the obviousness rejection of claims 2, 3, 5, 7, 8, 9, 15, 16, 18 should be withdrawn.

Claims 10 to 13:

In the earlier Office Action made final, claims 10 to 13 were rejected under 35 U.S.C. § 103(a) as being unpatentable over Prentice in view of Peterson. Claims 10 to 13 ultimately depend from independent claim 6. Since the Peterson reference does not cure and is not asserted to cure the above described deficiencies of Prentice with regard to independent claim 6, claims 10 to 13 are allowable for at least the same reasons as claim 6, and withdrawal of the rejection of those claims is respectfully requested.

Applicants respectfully submit that all pending claims 1 to 20 are in condition for allowance, and respectfully request the withdrawal of the rejections of and/or objections to those claims.

CONCLUSION

Applicants respectfully assert that all of the stated grounds of objection and rejection have been properly traversed, accommodated, or rendered moot. Applicants therefore respectfully request that the Examiner reconsider and withdraw all presently outstanding objections and rejections. Applicants believe that the present application is in condition for allowance.

The Office is hereby authorized to charge any additional fees or credit any overpayments under 37 C.F.R. §1.16 or §1.17 to Kenyon & Kenyon Deposit Account No. **11-0600**. If needed, Applicants request an extension of time to reply to the Advisory Action and the Office Action made final.

The Examiner is invited to contact the undersigned at the telephone number below to discuss any matter concerning this application.

Respectfully submitted,

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